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November 7, 2011

HAND DELIVERED

Hon. Jeff Derouen
Executive Director
Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40601

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PUBLIC SERVICE
COMMISSION

Re: Delta Natural Gas Company, Inc.
Case No. 2011-00409

Dear Mr. Derouen:

Please find enclosed for filing an original and ten (10) copies of a Request for Clarification in the above-captioned case. Please place this Request in the file and bring it to the attention of the Commission at your earliest convenience. Thank you in advance for your assistance.

Sincerely,

Robert M. Watt, III

rmw:rmw
Enclosure

cc: Mr. John Brown (w/ encl.)
Allyson Honaker, Esq. (w/encl.)

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF DELTA NATURAL)	
GAS COMPANY, INC. FOR AN ORDER)	
AUTHORIZING THE ISSUANCE OF UP TO)	CASE NO. 2011-00409
\$75,000,000 OF LONG TERM DEBT)	

* * * * *

REQUEST FOR CLARIFICATION

Delta Natural Gas Company, Inc. ("Delta"), respectfully submits this Request for Clarification of the order dated October 31, 2011, herein. In paragraph 8 of Delta's Application in this proceeding, in addition to requesting approval of the proposed financing, Delta requested that the cost of issuance and other debt expenses associated with the proposed issuance of new debt be amortized over the life of the new debt. In addition, in the same paragraph, Delta requested that it be allowed to amortize any remaining unamortized debt expense relating to the existing 5.75% Debentures and 7% Debentures to be retired with the proceeds of the new debt issuance over the life of the new debt.

When the Commission issued the October 31, 2011, order in this proceeding, it recited the foregoing request in the first paragraph of the order, but did not address the request in the ordering paragraphs of the order. Delta believes that this failure to address the debt expense issue in the ordering paragraphs is merely an oversight and requests that the Commission issue a nunc pro tunc order authorizing the requested amortization of the new and the existing debt expense over the life of the new debt by clarifying the October 31, 2011, order with the addition of the following ordering paragraph:

Delta is authorized to amortize the cost of issuance and other debt expenses associated with the proposed issuance of long term debt

over the life of the new debt and is also authorized to amortize any remaining unamortized cost of issuance and other debt expenses associated with the existing 5.75 % Debentures and 7% Debentures over the life of the new debt.

Delta believes that the foregoing accounting treatment of debt expenses is consistent with prior orders relating to Delta's financings and requests this specific treatment of the debt expenses so that its auditors will have assurance that the accounting treatment is authorized by this Commission.

Dated this 1st day of November 2011.

Respectfully submitted,

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Counsel for Delta Natural Gas Company,
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